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DD/ST# 3826-69

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MEMORANDUM FOR: [REDACTED]

Budget and Fiscal Officer
Office of ELINT, DD/S&T

THROUGH

: Comptroller, DD/S&T

SUBJECT

: Plans and Objectives, Office of Finance

REFERENCE

: Your memo dated 22 November 1968 to
Deputy Director for Science and Technology,
Subject: Office of Finance Planning

1. As I have advised Finance personnel on several occasions, it is my intent to keep you abreast of what is happening with regard to the suggested plans and objectives which you submitted in response to my request.

2. In the referenced memorandum you made six recommendations which are discussed in the order in which they were attached to your memorandum.

a. Your first suggestion was that we simplify property accounting procedures at overseas stations and bases. In this connection you would be interested to know that we have recently converted three Type I property installations to Type II, four Type II installations to Type III and four Type II installations to Memorandum Receipts procedures. After these changes Type I property procedures have been retained only at the [REDACTED]

[REDACTED] In addition, we have recommended to the Director of OPPB that the Agency modify its allotment procedures to provide regular funds allotments rather than procurement allotments for local procurement of expendable property for immediate use and non-expendable property for immediate issue. This latter proposal, if adopted, will remove a large number of property transactions from processing through the FPA system,

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thus further reducing the burden of property accounting procedures at overseas locations. We have not limited our changed procedures to property accounting but have also instituted a modified and simplified Class A procedure at nine of our Class A stations. We are aware of the tremendous workload which has been placed on our Finance personnel, particularly at overseas stations which have been hard hit by the BALPA reductions and we will continue to look for time-saving procedures to remove as much workload as possible from Finance personnel, particularly those in the field.

b. Your second recommendation was for a schedule of commuted rates for all travel. From your subsequent remarks with regard to this objective I am sure that you did not literally mean "all" travel. This, I believe, would be unattainable. However, our objective is to adopt commuted rates whenever they are operationally and administratively justified and at the same time are equitable to the traveler. In line with this we have referred your suggestion to the recently formed CIA Travel Policy Committee. The responsibilities, authorities and composition of this committee are in [] dated 27 August 1969. We have found that this committee can accomplish coordination on procedural changes much more quickly than by the old procedure of circulating a paper to the various offices for coordination. Your suggestion will be in good hands with this committee.

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c. Your third suggestion was that we establish an Agency repository for lapsed appropriations. The Agency did, in effect, create such a repository for financial control of obligations when we established the "M" account which is maintained in accordance with current General Accounting Office guidelines. Your suggestion, however, intended that we go further and transfer "management" control to a centralized office. We believe the original allottee should make determinations with regard to further payments and therefore "management" control must rest with that component of the Agency. As a practical matter, the personnel best qualified to make the required management decisions and all the files related to the original transaction would logically rest in the offices of the allottee. Further, the related files should remain there until the transaction is complete. You mentioned that many of your open items involved commercial contracts which remained open only because final overhead rates had not been determined []

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25X1 [redacted] overhead rate negotiations is one of the objectives of our Industrial Contract Audit Division and it may be that their liaison efforts will assist you in disposing of some of your old unsettled accounts.

25X1 d. Your fourth suggestion was that we develop a method whereby confidential payroll deductions for U. S. Government Bonds can be made for employees desiring this method of savings. The present system of issuing U. S. Saving Bonds is controlled through payroll deductions and machine prepared and tabulated Bond listings.

25X1 [redacted] However, one of the tasks of the Support Information Processing Systems (SIPS) Task Force is a complete updating of our payroll procedures. The procedures they recommend may provide the potential for the issuance of Saving Bonds for contract employees and/or Agency personnel [redacted] If this becomes

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e. Your fifth suggestion was that we provide operating divisions with automatic data processing information to enable them to project average employment costs for each fiscal year. This has been a desirable objective for a number of years and one of our problems has been that the financial input and personnel action input have not been compatible for the purpose of producing the required data. However, a senior Finance employee who is primarily "budget" oriented and is fully aware of a budget officer's need for such data has recently been transferred to the SIPS Task Force and this item is on his agenda for inclusion as a desirable output of the SIPS effort.

f. Your last suggestion was for the establishment of a committee to assist in the financial arrangements with other Government agencies. While we have not formed a committee for this purpose we have strengthened the Office of Deputy Director for Liaison and Planning. He has a Liaison and Analysis Staff as well as the Policy and Planning Staff to work with him. Over the past several months we have made numerous innovations with regard to the

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financial arrangements with other Government agencies and have been seeking assistance throughout the Agency with regard to problems related to the liaison function. I believe that what we are now doing will accomplish the objective which you had in mind.

3. I appreciate the interest you have shown in suggesting improvements in the operations of the Office of Finance and will be pleased to receive any further suggestions which may come to mind in the future.

L. E. Bush
Director of Finance

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